

ADVISORY OPINION 97-006

Any advisory opinion rendered by the registry under subsection (1) or (2) of this section may be relied upon only by the person or committee involved in the specific transaction or activity with respect to which the advisory opinion is required. KRS 121. 135(4).

August 6, 1997

Mr. Timothy A. Cansler
Director, National Affairs and Political Education
Kentucky Farm Bureau Federation
9201 Bunsen Pkwy.
P.O. Box 20700
Louisville, Kentucky 40250-0700

Dear Mr. Cansler:

This is in response to your letter of June 30, 1997, requesting an advisory opinion on the Kentucky Farm Bureau Federation's (KFBF) sponsorship of a non-partisan Candidate Training Seminar for potential candidates in the 1998 election, which is to be conducted by the American Farm Bureau Federation (AFBF). You explain in your letter that KFBF and AFBF are tax-exempt, 501(c)(5) organizations. The records of the Secretary of State indicate that your organization is a non-profit corporation in good standing. Further, you state that AFBF conducts non-partisan campaign management seminars for potential candidates nationwide, and that the Seminar was developed by the AFBF with input from both political parties (Democrat and Republican). Finally, you indicate that each participant in the Seminar will be charged \$130.00 and that you are limiting the Seminar to the first sixty (60) participants.

Based on the information you provided, your question may be stated as follows:

May KFBF sponsor the seminar in question without violating Kentucky campaign finance laws?

Section 150 of the Kentucky Constitution and KRS 121.025 prohibit a corporation from contributing, "either directly or indirectly, any money, service, or other thing of value towards the nomination or election of any state, county, city, or district officer in this state." However, in two previous advisory opinions, 95-001 and 94-017, which are attached and incorporated by reference, the Registry determined that a non-profit corporation's sponsorship of a public forum to allow gubernatorial candidates to debate issues did not violate the provisions of KRS 121.025 or Section 150 of the Kentucky Constitution.

As stated in Advisory Opinion 94-017, in Kentucky Registry of Election Finance v. Louisville Bar Assoc., Ky., 579 S.W.2d 622 (1978), the Kentucky Court of Appeals held that the publication of the results of a judicial poll conducted by the LBA did not violate KRS 121.025 or Section 150 because the poll did not advocate the election of any judicial candidate. The court found that the activities of

the LBA did not fall within the conduct sought to be avoided, particularly "the exertion of unwarranted and perhaps unwholesome influence over political affairs by corporations formed for profit." Id. at 627.

Provided KFBF and/or AFBF do not provide money, services or value to any candidate, KFBF and AFBF would not be in violation of KRS 121.025 or Section 150 of the Kentucky Constitution. The seminar proposed, a non-partisan educational program open to the first sixty (60) persons to apply as participants, for which each participant is required to pay \$130.00, would not appear to violate the prohibition against corporate contributions. However, this is provided that the \$130 participation fee represents the fair market value of the seminar and cost of the materials. Further, each candidate, campaign manager or spouse who participates must pay the fee themselves. Also, note that the seminars should be open to the public, in order to avoid any implication that KFBF is seeking to advocate on behalf of particular candidates or persons likely to support the interests of the organization.

Thank you for contacting the Registry. Please do not hesitate to contact us if you have further questions.

Sincerely,

Rosemary Center
General Counsel

RFC/db